

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

IRON MOUNTAIN INTELLECTUAL
PROPERTY MANAGEMENT, INC.

Interpleader-Plaintiff,

v.

FIDELITY INFORMATION
SERVICES, INC., f/k/a
ALLTEL INFORMATION SERVICES,
INC., and TOYOTA MOTOR CREDIT
CORPORATION,

Interpleader-Defendants.

Civil Action
No. 05-10018-RGS

**Request for ex parte
consideration**

Request for special action

**DECLARATION OF CHRISTINE GALLUCCI IN SUPPORT OF
TOYOTA FINANCIAL SERVICES' APPLICATION FOR
TEMPORARY RESTRAINING ORDER**

I, Christine Gallucci, declare as follows:

Background

1. I am employed by Toyota Financial Services (TFS) in Torrance, California. I have personal knowledge of the facts set forth herein, and if called as a witness, I could and would competently testify thereto.

2. I am the TFS Functional Manager for the OSCAR project. I have held this position for the last eighteen (18) months. As Functional Manager I oversee all aspects of the OSCAR project including: testing of new software deliveries, troubleshooting of system problems, deployment of new software and resolution of customer complaints.

History of the OSCAR Project

3. In February 2000, TFS hired Fidelity Information Services (formerly ALLTEL Information Services) (FIS), to replace TFS' legacy application processing system with a new system dubbed OSCAR. OSCAR is based on FIS' standard loan processing software referred to as ALS-COM. TFS' legacy system evaluated credit applications by analyzing financial data provided by customers and then based on defined criteria made a credit worthiness decision. This process is referred to as decisioning. OSCAR was to automate the decisioning process along with a follow-on process referred to as discounting whereby TFS determines the particular rates and fees associated with a loan transaction. Currently, TFS is using OSCAR for decisioning and OSCAR is currently the lone mechanism by which TFS has to evaluate credit applications and make financing and lease decisions.

4. In my capacity as OSCAR Functional Manager, I supervise a team of approximately 40 TFS employees, coordinate all staffing and budget needs and also serve as an escalation point for my team with regard to issues with FIS. Although I have not been involved with the OSCAR project since its inception, through my role as Functional Manager, I have become very familiar with the project's history.

5. The original scope of the OSCAR Project included a study of TFS' legacy system to develop requirements for the new system, development of the software for the new system and implementation of the software at TFS' 30 Dealer Sales and Service Offices (DSSOs) in the United States.

6. In April 2001, TFS rejected FIS' first development release based on numerous critical errors and defects. Due to FIS' inability to make progress on the project, the parties agreed in 2002 to restructure the project schedule so that FIS would deliver the software in three separate phased deliveries: the first delivery consisting of the decisioning functionality, the second consisting of the discounting functionality and the third delivery adding enhancements to both pieces.

7. The first phase of software delivery was piloted in March 2003.

8. TFS began deployment of OSCAR on May 19, 2003 after two months of troubleshooting issues found during pilot. Almost immediately after deploying the software, TFS experienced debilitating performance issues, including, but not limited to, slow response times and system outages with OSCAR. In June 2003, the system crashed for two hours. In August 2003, OSCAR crashed twice for a total of 3.5 hours.

9. In September, 2003, TFS halted further deployment of the decisioning functionality so that FIS could focus on the resolution of the software problems. During this effort, OSCAR continued to crash – both in October 2003 and November 2003.

10. After apparently stabilizing the software in December 2003, OSCAR again crashed in March, April, May and, July, 2004 forcing TFS once again to halt the OSCAR roll-out. OSCAR also experienced sporadic slowness and timeouts throughout the first six months of 2004. On many occasions, OSCAR's inability to timely respond rendered the system unusable.

11. Throughout the system outages and failures, there was constant discussion between TFS and FIS. In my capacity as Functional Manager, my primary contact at FIS was with John Vaughan, Engagement Manager for FIS.

12. As part of our troubleshooting efforts, we requested that FIS hire Microsoft to assess the problems. On multiple occasions, I had conversations with John Vaughan, the Engagement Manager for FIS, who informed me that FIS would not voluntarily hire Microsoft to assess the software problem.

13. Because FIS refused to take responsibility for the instability of OSCAR, in April 2004, TFS retained Microsoft to assess the OSCAR malfunctions. Microsoft concluded that FIS' software was the root of the problems with the OSCAR system and that the system architecture was grossly inefficient.

14. After being presented with Microsoft's findings, the FIS Engagement Manager, John Vaughan, told me that the current architecture would not support the Release 2

(discounting) functionality. Based on my experience in the business technology field and knowledge of the OSCAR Project, I concur in Mr. Vaughan's opinion. FIS, however, refused to assume responsibility for the architecture's inadequacy and remedy the problem.

TFS' Reliance on OSCAR

15. Given OSCAR's history of failures, TFS must prepare for the potential for future crashes. TFS however, will be unable to resolve future system crashes and repair OSCAR unless TFS has possession of the OSCAR software.

16. TFS is in the business of financing Toyota and non-Toyota vehicles. TFS receives applications via two main delivery channels: (1) a dealer will direct a customer's credit application to TFS; and (2) a customer will utilize "Toyotafinancial.com" and submit an application on-line. In either case, the application is evaluated by OSCAR.

17. Over 1,900 dealers are currently authorized to submit credit applications to OSCAR for evaluation and possible funding. The volume of credit applications and the amount financed is substantial. For example, a total of 1,128,655 applications were submitted to OSCAR for evaluation in 2004. Approximately 774,115 of those applications were ultimately funded by TFS. The total amount financed in 2004 through OSCAR by TFS was \$15,497,240,306.

18. The 2003 numbers are similar: the total number of applications evaluated by OSCAR (209,102); the total number of those applications funded (154,985); and the total amount financed (\$3,064,936,910). The number of applications evaluated and funded in 2003 is smaller than 2004 since OSCAR was more fully deployed and utilized by TFS in 2004.

19. OSCAR is an integral part of TFS' ability to provide automobile financing. The system evaluates each application, including, but not limited to, taking into account financial information submitted by the applicant (i.e., salary, other assets and debts), credit scores, vehicle price, trade in value and rebates. After analyzing the pertinent information, and based on defined criteria of credit-worthiness, OSCAR makes a determination of acceptability of the applicant and

transmits the decision back to the dealer. However, when OSCAR crashes, the result is a severe and immediate disruption in TFS' ability to evaluate applications and make financing determinations. Indeed, during a system outage, TFS' ability to perform its essential business function ceases for the entire period of time the system is non-operational potentially causing a substantial loss of revenue.

20. The dealers with whom TFS has business relationships have options when selecting to whom a credit application will be submitted. For example, a dealer may submit the credit application to any bank, to TFS, to GMAC, to Ford, to Daimler-Chrysler (DCS) or to a number of other credit organizations. If these dealers lose confidence in TFS, they may simply direct their customers' vehicle financing needs to TFS' competitors. If all or any part of the dealers' financing is directed to TFS' competitors, TFS will suffer financial injury. TFS will also suffer immeasurable injury to its reputation if OSCAR crashes in the future and TFS, without the software, is unable to remedy the problem and bring the system back on-line. For example, TFS' relationship with dealers as well as their customers will be forever damaged as both lose confidence in TFS' ability to timely evaluate applications.

I declare under penalty of perjury that the foregoing is true and correct and that this Declaration is executed on this 6th day of January 2005 at Los Angeles, California

C. Gallucci
CHRISTINE GALLUCCI